

GENERAL GOVERNMENT CAPITAL IMPROVEMENT PROGRAM

Introduction to Program

The General Government capital program includes a combination of various capital categories. The two major categories are capital facility improvements and technological improvements. The Facilities Management Division (FMD) manages the capital facility category. This category is derived from a compilation of capital requests from CX and/or CX subsidized agencies and FMD's request for major maintenance, rehabilitation and space plan implementation projects. The various County departments, depending upon the project, manage the technological improvement category.

Program Highlights and Issues

Technology: King County continually strives for more efficient operations and service delivery. Technological improvements expedite this process. In 2002, the County endorsed the guiding principles of the Strategic Technology Plan. These principles provide a framework within which strategic objectives for information technology development and deployment can be reviewed and evaluated.

Highlights of the various 2003 IT capital projects are as follows:

- ITS Equipment Replacement, \$1,935,780;
- Business Continuity and Disaster Recovery Planning, \$350,000;
- IT Privacy/Security, \$381,887;
- Network Infrastructure Optimization, \$130,000;

- PeopleSoft e-Apps Implementation, \$450,000;
- Wireless Phase II PSAP (E-911) Equipment, \$377,587;
- REALS E-Recording Initiative, \$381,442.

Facilities: For the year 2003, the Facility Management Division Capital Program include:

- **Projects that contribute to the energy efficiency of county-owned facilities that will result in significant utilities' savings over the long term.**
- **Projects that either upgrade existing county facilities to bring them into code compliance or maintain the structural integrity of facilities.**
- **Remodeling projects and tenant improvements that will result in a more efficient working environment.**
 - Space planning for County office space and related parking.

The Major Maintenance Program managed by the Facilities Management Division (FMD) provides funds for the periodic replacement and repair of county owned building systems and components on the 34 buildings maintained by FMD. In 2003 Major Maintenance Program continues the investment in these facilities by funding approximately \$8 million in projects in 15 buildings. The budget authority is allocated to the following categories: Fifty percent to upgrade or replace HVAC systems, twenty-five percent to maintain roofs, ten percent to improve fire alarm and electrical systems, and the remaining five percent of budget authority is allocated to miscellaneous

maintenance projects, including improvements to the Administration Building elevators and miscellaneous exterior repairs.. The projects proposed for funding in 2003 were drawn from lists of infrastructure deficiencies developed by FMD and the building assessment consultant report completed in September 2003. The projected list of projects identified for budget years 2004 through 2008 will be subject to further review before inclusion in the 2004 proposed budget.

Limited current expense fund resources led to a \$1.5 million reduction from the projected transfer necessary to fully fund the Major Maintenance Reserve Fund. The 2003 reduction will be accommodated in the MMRF by 1) excluding low priority infrastructure categories such as carpet and paint, and 2) extending the intra-fund repayment period.

Criteria for Facility Project Prioritization

The 2003 GG CIP was allocated and prioritized, based on the following criteria:

- The project remedies deficient conditions adversely impacting health, safety, and/or security;
- The project is necessary to meet mandatory legal requirements, including code requirements and handicapped accessibility;
- The project is a phased element of an approved master plan;
- The project results in cost savings sufficient to return the original capital investment over a moderate period of time;
- The project upgrades and expands the County's capital stock by maintaining structural integrity, restoring

architectural integrity, or improving building systems before failure of these facilities requires a more costly solution;

- The project expands the capacity of capital facilities through acquisition, new construction, or remodeling in response to increased operating and service requirements; and
- The project utilizes staff more effectively by enhancing the work environment, providing critical support services, or increasing efficiency in individual workload.

Financial Planning and Policy Overview

The General Government Capital Program is funded by a variety of sources: including Current Expense , bond funding, and contributions from various county departments.

Council Adopted Changes

Council made several changes to the Executive's proposed budget. The most significant of these include

- *\$430,000 to prepare a Financial Systems Business Case Analysis*
- *Reduction in appropriation authority for the ITS Equipment Replacement Project (378206) from \$1,935,780 to \$367,253 with accompanying proviso.*

Council Budget Proviso:

PROVIDED FURTHER THAT:

Of the 2003 appropriation amount for Fund 3421, \$9,254,234 may be expended or encumbered only after council approval by motion of a report including the following:

1. Executive's Department of Executive Services Facilities Management Division Reorganization Report as outlined in Ordinance 14199 explaining the relationship between this reorganization and the management of the Major Maintenance Reserve Fund;

2. Submittal of the Carter Burgess Buildings Evaluation Report and an assessment of its implication for the Major Maintenance Reserve Fund Program;

3. An evaluation of the Major Maintenance Reserve Fund Program as included in the Proposed 2003 Budget relative to its compliance with KCC 4.08.250.

If the evaluation of item 3, above, identifies any areas of noncompliance, the Executive shall transmit a proposed ordinance seeking authorization for any proposed changes to the requirements of KCC 4.08.250 that would remedy noncompliance.

PROVIDED FURTHER THAT:

Of the 2003 appropriation amount for CIP Project 395716, Courthouse Seismic Project (CSP), \$71,500 shall be spent only

on the King County winter shelter to be located on the fourth floor of the Yesler building in vacant temporary courtroom spaces constructed for the CSP or the Administration building first floor space adjacent to the lobby currently used for CSP material storage, or equivalent county-owned space. Funds shall be expended for a contract with a private nonprofit agency and costs of county security. Of this amount \$39,000 shall be expended only on the winter shelter from January 1, 2003, through March 31, 2003. Of this amount \$32,500 shall be expended only on the winter shelter from October 15, 2003 through December 31, 2003.

General Government Information Technology CIP Provisos:

PROVIDED THAT:

Of the appropriation for CIP project 344190, financial systems business case analysis project, \$430,000 shall be expended or encumbered only after the executive submits and the council approves by motion a vision and goals statement for the financial systems business case analysis project. The motion and vision and goals statement must be filed in the form of 16 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the labor, operations and technology committee and the budget and fiscal management committee or their successors.

PROVIDED FURTHER THAT:

For the CIP project 377111, Network Infrastructure Optimization, the network infrastructure optimization plan shall identify and quantify cost-savings opportunities through leveraging I-Net by replacing leased services.

PROVIDED FURTHER THAT:

Of the appropriation in Fund 3781 for Project 378206, ITS Equipment Replacement, \$200,000 shall be expended only on purchasing critical capital equipment; no more than \$50,000 shall be spent to hire a consultant to develop an its technology services equipment replacement plan; and \$117,253 shall be expended only on purchasing capital equipment in accordance with an ITS technology services equipment replacement plan, prepared utilizing an outside consultant and submitted by the executive and only after the plan is approved by the council by motion. The plan should be submitted to the council no later than July 1, 2003. The plan shall be reviewed and approved by the technology management board, the business management council and the chief information officer before the plan is submitted to council. The plan shall include, at a minimum: an inventory of existing equipment; equipment standards; a description of the function the equipment performs; the age and useful life of the equipment; a prioritization list, schedule and budget for replacement of the equipment; the failure cost of equipment failing or at risk for failure; and a proposal for establishing an equipment replacement reserve.

The report must be filed in the form of 15 copies with the clerk of the council, who will retain the original and will forward copies to each councilmember and to the lead staff for the labor, operations and technology committee or its successors.